



## CITY OF LODI

## COUNCIL COMMUNICATION

AGENDA TITLE: Approval of Interlocal Contract Between Douglas County and the City of Lodi for use of Vintage-Style Trolley Vehicle

MEETING DATE: February 19, 1996

PREPARED BY: Kirk J. Evans, Assistant to the City Manager

RECOMMENDED ACTION: That City Council approve the attached Interlocal Contract Between Douglas County and the City of Lodi for use of a Vintage-Style Trolley Vehicle.

BACKGROUND INFORMATION: Many changes will soon be taking place downtown. School Street will be completely refurbished. The resulting intermittent loss of parking and disruption of traffic flow will interfere with customer access to established businesses. The presence of a trolley on School Street will serve one primary aim - to mitigate the impact of construction on established businesses. The trolley will help in two ways:

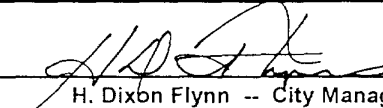
- 1) The trolley is an attraction in and of itself. It is anticipated it will draw attention and customer activity to downtown Lodi.
- 2) It will provide a direct link between parking areas adjoining downtown and the entrances to downtown businesses when parking on School Street is prohibited. It will provide the highest degree of access possible for customers - short of having parking available immediately in front of stores on School St.

The Lodi Downtown Business Association and most merchants are aware of the impending arrival of the trolley, and have expressed support for this vehicle. However, they will not be contributing financially toward its operation. Operation is anticipated to commence March 1, 1997.

The attached spreadsheet lists various agencies contacted by staff which potentially lease this type of vehicle. Based on availability and price, the only real possibilities were South Shore Transportation Management Association (SSTMA) and Trolley Time. Trolley Time insists on a nine month lease. The quality of vehicles presented in SSTMA literature is also superior to that of Trolley Time. SSTMA is the clear choice as the provider of this vehicle.

Douglas County owns, and the South Shore Transportation Management Association operates, the trolley staff is recommending. The contract must be approved by the Lodi City Council to effect the trolley's lease. It should be noted that SSTMA must have the trolley returned by June 1, 1997 - this lease is only for a three month period. After that, we will look to the Dial-A-Ride system to *possibly* provide service during the summer months. If the trolley is very successful and demand for its return is strong, another lease from SSTMA could be considered for the autumn months (although School Street construction should be completed by that time).

APPROVED: \_\_\_\_\_

  
H. Dixon Flynn -- City Manager



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The City of Lodi will provide insurance coverage for the trolley through the California Transit Insurance Pool, maintenance through the City shop, and drivers through DAVE Transportation Services. The trolley will complete one circuit approximately every 15 minutes. The fare will be free to all.

**FUNDING:** Lease of the trolley will cost \$3000 per month for the three month lease period. Operating expenses such as driver wages, gasoline, maintenance and insurance will also cost \$3000 per month based on a nine hour operating day - Tuesday through Saturday. As daylight hours increase in May we may wish to extend hours, which in turn will drive operating costs over \$3000 per month.

Federal Transit Administration grant funds and Transportation Development Act funds will be used in equal proportion (50% FTA and 50% TDA) to finance the downtown trolley. The City of Lodi's appropriation of FTA and TDA funds is sufficient to cover the entire lease and operation of the trolley.

A handwritten signature in black ink, appearing to read "Kirk J. Evans", written over a horizontal line.

Kirk J. Evans  
Assistant to the City Manager

APPROVED: \_\_\_\_\_  
H. Dixon Flynn -- City Manager



## City of Lodi Downtown Trolley

Agency	Location	Lease Price per month	Comments
South Shore Transportation Management Association	South Lake Tahoe, CA	\$3,000 (\$125/day) Four trolleys - three gas and one diesel. 28 to 32 passenger. Must be returned by June 1997.	Has four trolleys available - one fully enclosed. Option - switch to a more open vehicle, March 1997 (if not leased).
Trolley Time	Atlanta, GA	\$2,500 - \$4,000 One 30 passenger trolley available. More seats = more \$	Condition and reliability is an issue (they are refurbished vehicles).
Cable Car Charters	San Francisco, CA	\$7,500 Operates fleet of 65 trolleys. Indicated a 35 passenger trolley is available.	Has leased to cities of Reno & Beverly Hills and firms in Silicon Valley, S.F. and Santa Rosa.
Cable Car Classics	Healdsburg, CA	nothing available - occasionally rents demonstrators for \$4,000/month.	Firm manufactures trolleys - six months minimum from order to delivery.
Chance Industries	Wichita, KS	may have a vehicle - five year lease/ purchase price is \$4333/month.	Firm wants to sell, not lease vehicles. 10% downpayment, one year waiting list.
Specialty Vehicles	Downey, CA	nothing available	Once manufactured trolleys. Primarily electric trams today.
Old Towne Trolley	San Diego, CA	nothing available	Originally bought their trolleys from Specialty Vehicles.
San Luis Obispo	San Luis Obispo, CA	nothing available	Owens two trolleys - not in the leasing business.

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**INTERLOCAL CONTRACT  
BETWEEN DOUGLAS COUNTY AND  
CITY OF LODI**

WHEREAS, Douglas County, a political subdivision of the State of Nevada, and the City of Lodi (Lodi) desire to enter into an agreement which will result in the provision of passenger service by a vintage-style Trolley vehicle owned by Douglas County within the City of Lodi area.

WHEREAS, Douglas County currently possesses a vintage-style Trolley vehicle which will not be in use in Douglas County during the October 1996 through May 1997 period.

WHEREAS, Nev.Rev.Stat. § 277.180 provides that Douglas County may enter into this agreement.

NOW, THEREFORE, the parties agree as follows:

**1. Term of Agreement.** County agrees to allow Lodi to lease, and Lodi agrees to lease the following described vintage-style Trolley vehicle ("Trolley") for a period of approximately 3 months, commencing March 1, 1997, or as soon as Lodi actually takes delivery of the Trolley, and ending May 31, 1997. Lodi has requested delivery of the Trolley on February 27, 1997.

**2. Trolley Description.**

Year: 1993	Make: Trolley	Model: Golden Gate	Value: \$101,240
VIN: 1FDWK74C3PVA28398	Mileage: 35,603		

**3. Trolley Delivery and Return.** Lodi shall take delivery of the Trolley at a place in the City of South Lake Tahoe, California designated by County, or such other place as may be mutually agreed upon, on or after February 27, 1997. Lodi shall return the Trolley to a place in the City of South Lake Tahoe, California designated by County, or such other place as may be mutually agreed upon, on or before June 1, 1997. Lodi shall be responsible for all matters described in the agreement (including transport to

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and from Lodi) from the time of Trolley pick-up until the time of Trolley return. Delivery and return shall be F.O.B. City of South Lake Tahoe, California. In no event shall the trolley be returned later than June 1, 1997.

**4. RATE.** It is understood between the parties that Lodi intends to use the Trolley daily (totaling 92 days) over the term of this agreement, commencing March 1, 1997. The gross contract Trolley rental rate shall be \$9,000.00 for the proposed operating period. This amount shall be the minimum amount due County under this agreement.

At Lodi's option, Lodi may elect to operate the Trolley sooner than the planned 92 day contract period. In such case, Lodi shall pay County the agreed upon rate of \$100.00 for each day beyond the 92 days, although in no event shall the rate for an given calendar month exceed \$3,000.00.

**5. Payment Terms.** Lodi shall pay County the following rental sum on the following dates:

March: One month at \$3,000.00 per month, due on delivery

April: One month at \$3,000.00 per month, due April 1, 1997

May: One month at \$3,000.00 per month, due May 1, 1997

In the event Lodi operates the Trolley for more than the days outlined above, the amount owing (at \$100.00 per day) for such additional days of operation shall be paid to the County at the completion of the month during which such operations occurred or upon return of the Trolley, whichever occurs first.

Any amount due which is in default for TEN (10) days or more shall accrue and be charged interest at the rate of 12% per annum or the maximum amount allowed by law. Any amounts so charged shall be considered part of the total amount due until paid. Lodi shall be responsible for, and agrees to pay, all costs and expenses, including reasonable attorney's fees associated with the collection of any amount due in connection with this agreement.

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**6. Security.** Lodi shall, upon execution of this agreement and acceptance of the Trolley, pay to County the sum of \$1,000.00 as additional security for all of Lodi's obligations hereunder. Such amount shall be retained by County during the term of this agreement and be returned to Lodi upon Lodi's satisfaction of all terms and obligations of the agreement.

**7. Insurance.** Concurrent with delivery of the Trolley, LODI shall provide County with comprehensive commercial automobile liability, combined single limit coverage including non-owned and hired automobile liability in the amount of five million dollars (\$5,000,000), and general liability insurance in the amount of 1.5 million dollars (\$1,500,000). The policy shall remain in force through the life of this contract, and shall be payable on a "per occurrence" basis unless the vehicle owners specifically consent to a "claims made" basis. Collision/comprehensive coverage shall be actual cash replacement value. All deductibles shall be the responsibility of LODI.

The County and the SS/TMA shall be named as an additional insured on the policy. Upon taking delivery, Lodi shall supply a certificate of insurance and endorsements signed by the insurer providing for 30 days advanced notice to the County and SS/TMA of any termination or reduction in coverage.

**8. Title, Taxes and Government Inspection.** The Trolley is titled, licensed and registered in the name of Douglas County in the State of Nevada. If licensing and/or inspection are required by any other government authority during the term of this lease, any cost and proper permitting shall be the responsibility of Lodi. Lodi shall be responsible for and pay all other taxes or government assessments, fees or charges due in connection with the operation of the Trolley during the lease term.

**9. Maintenance, Repairs and Operations Expenses.** Lodi shall submit to County a written report of the condition of the Trolley within three (3) days of receipt of the Trolley. Such report shall note any and all mechanical and cosmetic deficiencies. Lodi shall provide all gasoline, oil, lubricants, anti-freeze and tires required for the

**11. Warranty.** County makes no representations, promises, statements or other warranties, express or implied, with respect to the merchantability, suitability or fitness of the Trolley for any specific purpose. Lodi agrees that County shall not be liable to

prior written permission of County.

contract, or approve matters beyond the expressed scope of this contract, without the County. The SS/TMA shall have no authority to modify the terms or conditions of this shall be transmitted/communicated directly to the SS/TMA for subsequent notice to Agent for County. All inquiries, notices, payments and reports pertaining to the Trolley South Shore Transportation Management Association (SS/TMA) is designated as **10. Agent.** For the purpose of administration of this Interlocal Contract, the

A copy of the record and log shall be furnished to County upon the return of the Trolley. record and log and the Trolley available for County's inspection at any reasonable time. operational/mileage log on the Trolley during the term of this lease and make such written consent of County. Lodi shall maintain a written service record and authorized to make any major repair or modification on the Trolley without the express not covered by manufacturer warranty; the transmission is under warranty. Lodi is not clean appearance and condition. County asserts the engine and driveline are currently and exterior of the Trolley on a minimum weekly basis and maintain the Trolley in a schedule), including oil changes at least every 3,000 miles. Lodi shall wash the interior required (as per the provisions contained in the manufacturer's warranty maintenance in County. Lodi will effect repair and service when such repairs or services are potential road or construction hazards. Title to all repairs and replacements shall vest to ensure that the body, interior and undercarriage are not in any way damaged by necessary repairs and replacements thereto. Lodi shall take all necessary precautions good condition and working order, properly serviced and greased and make all of non-operation. Lodi shall keep and maintain the Trolley and each part thereof in proper operation or protection of the Trolley and store the Trolley inside during periods

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Lodi for any loss, claim, demand, liability, cost damage or expenses of any kind caused or alleged to be caused, directly or indirectly, by the Trolley or by any inadequacy thereof, or any loss of business or any consequential damage whatsoever and however caused except as may be covered in the manufacturer's warranty. Lodi agrees that its obligations to pay the rates provided for shall not, in any way be affected by any default or failure of trolley performance.

**12. Use and Return of Trolley.** Lodi shall use the Trolley solely for the intended purpose of fixed-route passenger transportation within the City of Lodi. In no event shall Lodi use or permit the Trolley to be used for any illegal purpose, or in violation of any law, statute, ordinance or regulations or by any person or persons, under the influence of alcohol or narcotics or in any negligent manner that would cause damage or unusual wear and tear to the Trolley or for a purpose that would cause any insurance covering the vehicle to be suspended, canceled or inapplicable.

Lodi or its agents shall not fasten signs, banners, posters or advertising to the interior or exterior of the Trolley unless such mountings do not in any way penetrate or damage the exterior/interior, paint or woodwork of the Trolley. Lodi shall bear the cost of removal and any repairs or damage caused by the use or removal of any signs, banners, posters or advertising.

Lodi shall comply with the provision previously set forth in the Maintenance and Repairs clause and must return the Trolley in clean and substantially the same condition as when it was received. Lodi hereby agrees to the following standards for return of the Trolley:

The Trolley must:

- 1) Be clean.
- 2) Be in good mechanical and operating condition with no missing parts, inoperative parts or otherwise unacceptable physical damage or appearance.



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- 3) Have no scratches or dents on the body, including disfigured metal work.
- 4) Have no paint damage, chips or rusted areas or series thereof, nor evidence of graffiti.
- 5) Have no damaged or broken wood parts.
- 6) Have no tears, cuts or damage to the flooring necessitating repair or replacement.
- 7) Have no cracks, scratches, pits or chips in the windshield, nor other broken windows or inoperative window mechanisms.
- 8) Have no broken headlights, lenses or sealed beams.
- 9) Have no road salt, cinder or construction material damage to any part of the frame, body or undercarriage.
- 10) Contain no other damage which must first be repaired in order for County to put the Trolley in service.

Should any of the above conditions exist upon return of the Trolley to County (unless noticed in the acceptance inspection report), Lodi will be responsible for the cost associated with County's repair of such defects and shall promptly reimburse County upon receipt of an invoice covering such repair costs.

**13. Default.** In the event Lodi fails to comply with any terms of this lease or violates any ordinance, regulation or law which applies to the proper operation of the Trolley or service provided, the County may at its sole option terminate this lease by giving five (5) calendar days written notice to Lodi. On receipt of such notice, Lodi shall have three (3) calendar days to correct such deficiency or reach agreement with County on how such deficiency will be corrected, otherwise Lodi shall be deemed in default and this agreement shall terminate on the fifth day of such notice. Termination due to Lodi's default shall cause the full minimum contract rental amount of \$9,000.00 to become immediately due and payable.

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In the event of such default, without demand or legal process and without being guilty of trespass or conversion and without thereby rendering the County liable to refund any sums received as a deposit or as prepaid rental, County, or its agent, may enter into premises where the Trolley may be found and take possession and remove the Trolley, whereupon all rights of Lodi in such Trolley shall terminate. Lodi shall be responsible to County for all costs associated with the return of the Trolley to South Lake Tahoe, California.

**14. Notice of Accidents and Cooperation.** Lodi agrees that its drivers or agents will report to County within twenty-four (24) hours following any occurrence of collision which occurs while the Trolley is in the custody of Lodi or its drivers or agents. Lodi and County shall cooperate fully with any insurance carriers in the investigation and defense of any and all claims or suits arising from operation of the Trolley. The Trolley shall be operated only by properly licensed drivers with good driving records who are directly employed by Lodi.

**15. Subcontract.** Lodi shall not subcontract or assign this agreement without the prior written approval of County.

**16. Entire Agreement - Partial Invalidity** This agreement constitutes the entire agreement between the parties and may not be changed except by an instrument in writing signed by County and Lodi. In the event any provision shall be determined to be invalid, illegal, or unenforceable, such invalidity, illegality or unenforceability shall not affect the other or remaining provisions.

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**17. Notice.** Notice shall be served by U.S. Mail or in person to the following:

Douglas County  
P.O. Box 218  
Minden, NV 89423  
Jeffrey L. Foltz

City of Lodi  
P.O. Box 3006  
Lodi, CA 95241-1910  
Mr. Kirk Evans

SS/TMA  
P.O. Box 10798  
South Lake Tahoe, CA 96158  
Mr. Dick Powers

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed.

Approved as to Form

\_\_\_\_\_  
Douglas County District Attorney

Douglas County

By: \_\_\_\_\_

Date: \_\_\_\_\_

City of Lodi

By: \_\_\_\_\_

Date: \_\_\_\_\_

Approved as to form

*Russell A. Hays*  
\_\_\_\_\_  
City Attorney